

Registered number: OC330139

Kelso Place Asset Management LLP

Report And Financial Statements

31 March 2019

Rees Pollock
Chartered Accountants

MONDAY



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Kelso Place Asset Management LLP

INFORMATION

Designated Members	P Weston S Kearsey
Member	KPAM Limited
LLP registered number	OC330139
Registered office	3 Barrett Street London W1U 1AY
Independent auditors	Rees Pollock 35 New Bridge Street London EC4V 6BW

MEMBERS' REPORT

For the Year Ended 31 March 2019

The members present their annual report together with the audited financial statements of Kelso Place Asset Management LLP (the "LLP") for the year ended 31 March 2019.

Principal activities

The principal activity of the LLP during the year was fund management. The LLP is authorised and regulated by the Financial Conduct Authority ('FCA').

Designated Members

P Weston and S Kearsey were designated members of the LLP throughout the year.

Policy with respect to members' drawings and subscription and repayment of amounts subscribed or otherwise contributed by members

Members are permitted to make drawings in anticipation of profits which will be allocated to them. The amount of such drawings is set at the beginning of each financial period, taking into account the anticipated cash needs of the LLP.

Details of changes in members' capital in the year ended 31 March 2019 are set out in the financial statements. Each member's subscription to the capital of the LLP is determined by the LLP agreement, by the regulatory capital requirements of the FCA and any operational needs of the LLP. Members' capital is not repayable except where allowed under FCA rules.

Results for the year

The trading results for the year and the LLP's financial position at the end of the year are shown in the attached accounts.

Members' responsibilities statement

The members are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that period.

In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and to enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008). They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Kelso Place Asset Management LLP

MEMBERS' REPORT (continued)
For the Year Ended 31 March 2019

Disclosure of information to auditors

Each of the persons who are members at the time when this Members' report is approved has confirmed that:

- so far as that member is aware, there is no relevant audit information of which the LLP's auditors are unaware, and
- that member has taken all the steps that ought to have been taken as a member in order to be aware of any relevant audit information and to establish that the LLP's auditors are aware of that information.

This report was approved by the members on **24 July** and signed on their behalf by:
2019



P Weston
Designated member

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KELSO PLACE ASSET MANAGEMENT LLP

Opinion

We have audited the financial statements of Kelso Place Asset Management LLP (the 'LLP') for the year ended 31 March 2019, which comprise the Statement of comprehensive income, the Balance sheet, the Reconciliation of members' interests and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the LLP in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the LLP's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The members are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KELSO PLACE ASSET MANAGEMENT LLP (CONTINUED)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, as applied to limited liability partnerships, requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit; or
- the members were not entitled to prepare the financial statements in accordance with the small limited liability partnerships regime.

Responsibilities of members

As explained more fully in the Members' responsibilities statement on page 1, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Applications of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Munday (Senior Statutory Auditor)

for and on behalf of

Rees Pollock, Statutory auditor

25 July 2019

STATEMENT OF COMPREHENSIVE INCOME
For the Year Ended 31 March 2019

	Note	2019 £	2018 £
Turnover		174,191	185,039
Administrative expenses		(153,371)	(206,473)
		<hr/>	<hr/>
Operating profit/(loss)	3	20,820	(21,434)
Interest payable		(100)	(11)
		<hr/>	<hr/>
Profit/(loss) for the year before members' remuneration and profit shares		<u>20,720</u>	<u>(21,445)</u>

There was no other comprehensive income for 2019 (2018: £NIL).

The notes on pages 8 to 12 form part of these financial statements.

BALANCE SHEET
As at 31 March 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	4	4,073	2,687
Investments	5	20	20
		<u>4,093</u>	<u>2,707</u>
Current assets			
Debtors: amounts falling due within one year	6	29,747	49,715
Cash at bank and in hand		45,611	45,980
		<u>75,358</u>	<u>95,695</u>
Creditors: amounts falling due within one year	7	(73,540)	(85,929)
Net current assets		<u>1,818</u>	<u>9,766</u>
Net assets attributable to members		<u>5,911</u>	<u>12,473</u>
Represented by:			
Members' other interests			
Members' capital classified as equity		1,001,186	1,001,186
Other reserves classified as equity		(995,275)	(988,713)
		<u>5,911</u>	<u>12,473</u>
Total members' interests			
Members' other interests		<u>5,911</u>	<u>12,473</u>

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small LLPs regime.

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 24 July 2019.



P Weston
Designated member

The notes on pages 8 to 12 form part of these financial statements.

RECONCILIATION OF MEMBERS' INTERESTS
For the Year Ended 31 March 2019

	EQUITY Members' other interests			DEBT Loans and other debts due to members less any amounts due from members in debtors		Total members' interests
	Members' capital (classified as equity) £	Other reserves £	Total £	Other amounts £	Total £	Total £
Balance at 1 April 2017	1,001,186	(668,406)	332,780	-	-	332,780
Loss for the year available for discretionary division among members	-	(21,445)	(21,445)	-	-	(21,445)
Members' interests after profit for the year	1,001,186	(689,851)	311,335	-	-	311,335
Other movements	-	(298,862)	(298,862)	298,862	298,862	-
Drawings	-	-	-	(298,862)	(298,862)	(298,862)
Balance at 31 March 2018	1,001,186	(988,713)	12,473	-	-	12,473
Profit for the year available for discretionary division among members	-	20,720	20,720	-	-	20,720
Members' interests after profit for the year	1,001,186	(967,993)	33,193	-	-	33,193
Other movements	-	(27,282)	(27,282)	27,282	27,282	-
Drawings	-	-	-	(27,282)	(27,282)	(27,282)
Balance at 31 March 2019	<u>1,001,186</u>	<u>(995,275)</u>	<u>5,911</u>	<u>-</u>	<u>-</u>	<u>5,911</u>

The notes on pages 8 to 12 form part of these financial statements.

The ability of the members of the LLP to reduce the amount of members' other interests is restricted by the regulatory capital requirements of the FCA.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2019

1. General information

Kelso Place Asset Management LLP is a limited liability partnership incorporated in the UK and registered in England & Wales.

Its registered address is 3 Barrett Street, London W1U 1AY.

The LLP's principal activity is fund management.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

2.2 Going concern

The main funds from which the LLP derives its income are in the process of being wound down. The members have prepared forecasts which show the LLP has sufficient resources to continue to meet its liabilities as they fall due for a period of at least 12 months from the date of signing of these financial statements. Accordingly, the members continue to adopt the going concern basis in preparing these financial statements.

2.3 Consolidation

The LLP is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the LLP as an individual undertaking and not about its group.

2.4 Revenue

Turnover comprises revenue recognised by the LLP in respect of management and other fees receivable for the year, exclusive of value added tax.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- over 2 years
Motor vehicles	- over 3 years
Fixtures & fittings	- over 4 years
Office equipment	- over 3 years

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2019

2. Accounting policies (continued)

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 Financial instruments

The LLP does not trade in financial instruments and all such instruments arise directly from operations.

All trade and other debtors are initially recognised at transaction value, as none contain in substance a financing transaction. Thereafter trade and other debtors are reviewed for impairment where there is objective evidence based on observable data that the balance may be impaired. The LLP does not hold collateral against its trade and other receivables so its exposure to credit risk is the net balance of trade and other debtors after allowance for impairment.

The LLP's cash holdings comprise on demand balances. All cash is held with banks with strong external credit ratings.

Trade and other creditors and accruals are initially recognised at transaction value as none represent a financing transaction. They are only derecognised when they are extinguished.

As the LLP only has short term receivables and payables, its net current asset position is a reasonable measure of its liquidity at any given time.

2.8 Foreign currency translation

Functional and presentation currency

The LLP's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

2.9 Operating leases: the LLP as lessee

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2019

2. Accounting policies (continued)

2.10 Members' remuneration

A member's discretionary share in the profit or loss for the year is accounted for as an allocation of profits.

Unallocated profits and losses are included within other reserves. Automatic allocations of profit are shown within the profit and loss account as members' remuneration charged as an expense.

2.11 Taxation

The tax payable on profits is the personal liability of the members.

3. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2019	2018
	£	£
Depreciation of tangible fixed assets	1,546	3,401
Auditors' remuneration - audit	10,000	10,000
Auditors' remuneration - non-audit	6,650	8,100
Other operating lease rentals	102,325	91,217

The LLP has no employees.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2019

4. Tangible fixed assets

	Leasehold improvements £	Motor vehicles £	Fixtures & fittings £	Office equipment £	Total £
Cost					
At 1 April 2018	7,135	133,017	47,626	24,835	212,613
Additions	-	-	2,034	898	2,932
At 31 March 2019	7,135	133,017	49,660	25,733	215,545
Depreciation					
At 1 April 2018	7,135	133,017	47,279	22,495	209,926
Charge for the year	-	-	573	973	1,546
At 31 March 2019	7,135	133,017	47,852	23,468	211,472
Net book value					
At 31 March 2019	-	-	1,808	2,265	4,073
At 31 March 2018	-	-	347	2,340	2,687

5. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2018	20
At 31 March 2019	20

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2019

6. Debtors

	2019 £	2018 £
Trade debtors	-	600
Other debtors	20,626	12,100
Prepayments and accrued income	9,121	37,015
	<u>29,747</u>	<u>49,715</u>

7. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	18,456	4,012
Other creditors	16,587	3,649
Accruals and deferred income	38,497	78,268
	<u>73,540</u>	<u>85,929</u>

8. Commitments under operating leases

At 31 March 2019 the LLP had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	95,875	95,875
Later than 1 year and not later than 5 years	200,155	296,030
	<u>296,030</u>	<u>391,905</u>

9. Controlling party

The LLP is controlled by its members.